



Consumer Expenditure Survey: Quarterly Data from the Interview Survey

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0768-A-15

Second quarter 1994

U.S. Department of Labor
Bureau of Labor Statistics

Report 898

This report presents data on selected expenditures classified by different types of consumer units for the second quarter of 1994 from the Interview component of the Consumer Expenditure Survey.¹ Comparisons with the second quarter of previous years are made for all consumer units (table A). Also included in the report is information on health care spending by the level of health insurance coverage. The data shown in table A-1 are from the Interview component of the Consumer Expenditure Survey for 1993.

Comparisons of data by health insurance status. Health care expenditures in the United States are of increasing importance in the economy. In 1993, the Nation's health care bill reached \$884 billion, up 127 percent from 1984, and accounted for 14 percent of gross domestic product.² Out-of-pocket expenditures for health care (including health insurance) averaged \$1,776 per consumer unit in 1993, up 69 percent from \$1,049 in 1984, the first year in which integrated data from the Consumer Expenditure Survey were available.³

The share of total expenditures devoted to health care by con-

¹ Estimates of quarterly expenditures are less reliable than annual estimates because of the smaller number of observations per quarter.

² U.S. Department of Health and Human Services, *HHS News*, November 1994, p. 1. See also, U.S. Bureau of the Census, *Statistical Abstract of the United States, 1994* (114th ed.), Washington, DC, 1994, p. 109.

³ For more information on health insurance status and expenditures, see Geoffrey D. Paulin and Wolf D. Weber, "The Effects of Health Insurance on Consumer Spending", *Monthly Labor Review*, March 1995, pp. 34-54.

sumer units rose, on average, from 4.8 percent in 1984 to 5.9 percent in 1993. Among the components of health care, average expenditures for health insurance premiums rose 116 percent—from \$370 in 1984 to \$800 in 1993. Spending on drugs and medical supplies increased by 79 percent over the period (from \$224 to \$402), while spending on medical services showed the smallest increase, rising 26 percent (from \$454 to \$574).

Consumer units can be classified in four groups: The *fully insured* have policies that presumably cover all its members; the *partially insured* have policies that cover some, but not all, members; *medicaid recipients* have at least one member receiving medicaid; and the *uninsured* either have no policies for consumer unit members or only limited coverage policies.

The share of health care expenditures that each group allocates ranges from about 3 percent for the uninsured to almost 7 percent for the fully insured. Table A-1 shows that fully insured and medicaid families spend about half of their health care dollars for insurance premium payments. However, health insurance expenditures for the fully insured are substantially higher, both as a share of total expenditures and in dollars (3.4 percent and \$1,044 per year, respectively), than for medicaid recipients (1.9 percent and \$280 per year, respectively). The partially insured allocate a smaller portion of their health care expenditures to insurance payments and a larger portion to medical services than do the fully insured. Among the four groups, uninsured families devote the largest share of health care expenditures to medical services and the smallest share to health insurance. As a share of total expenditures, however, the fully insured and the partially insured allocate

Table A-1. Selected characteristics of all consumer units by health insurance status, Consumer Expenditure Interview Survey, 1993

Item	All consumer units	Insurance status			
		Fully covered	Partially covered	Medicaid	Not covered
Number of consumer units (in thousands)	99,782	63,280	11,280	9,057	16,164
Consumer unit characteristics:					
Age of reference person	47.8	51.4	45.0	45.0	37.0
Annual income before taxes ¹	\$29,872	\$33,603	\$34,770	\$13,041	\$21,284
Average number in consumer unit:					
Persons	2.5	2.2	3.5	3.2	2.5
Earners	1.3	1.3	2.0	0.8	1.4
Children under 18	0.7	0.5	1.0	1.4	0.8
Persons 65 and over	0.3	0.4	0.2	0.3	0.0
Health care expenditures	\$1,650	\$2,084	\$1,828	\$544	\$864
Health care as a percent of total expenditures	5.9	6.8	5.3	3.8	2.9
Component shares of health care:					
Total health care expenditures (in percent)	100.0	100.0	100.0	100.0	100.0
Health insurance	48.1	50.8	43.0	51.5	25.4
Medical services	34.9	32.7	41.1	27.8	54.6
Prescription drugs and medical supplies	17.0	16.7	15.9	20.7	20.0

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tures, however, the fully insured and the partially insured allocate more of their budgets to medical services than do the uninsured.

When comparing components of health care expenditures across groups, shares for prescription drugs and medical supplies

are distributed the most evenly, while the ranges across groups for health insurance and medical services shares are substantially larger.

Table A. Selected average quarterly annualized expenditures¹ of consumer units, interview survey, second quarters, 1988-94

Item	1988	1989	1990	1991	1992	1993	1994
Total expenditures.....	\$24,547	\$26,081	\$26,803	\$27,877	\$28,602	\$28,619	\$30,357
Food.....	3,984	4,275	4,380	4,480	4,383	4,388	4,529
Food at home.....	2,913	3,094	3,215	3,315	3,244	3,233	3,338
Food away from home.....	1,071	1,182	1,174	1,145	1,139	1,153	1,183
Housing ²	7,305	7,808	7,931	8,318	8,947	8,928	9,281
Shelter ²	4,261	4,586	4,705	5,073	5,523	5,432	5,585
Owned dwellings.....	2,404	2,614	2,673	3,288	3,423	3,405	3,441
Rented dwellings.....	1,484	1,504	1,553	1,544	1,786	1,895	1,785
Other lodging ²	373	448	479	284	313	332	359
Utilities, fuels, and public services.....	1,600	1,719	1,746	1,868	1,876	1,968	2,075
Household furnishings and operations.....	1,444	1,522	1,479	1,377	1,548	1,528	1,622
Apparel and services.....	1,142	1,189	1,219	1,209	1,231	1,145	1,200
Transportation.....	5,163	5,323	5,237	5,351	5,540	5,555	6,535
Vehicle purchases.....	2,445	2,431	2,319	2,359	2,524	2,433	3,298
Gasoline and motor oil.....	957	1,019	1,016	1,023	991	970	983
Other transportation expenses.....	1,761	1,874	1,418	1,969	2,025	2,152	2,254
Health care.....	1,253	1,315	1,442	1,638	1,521	1,586	1,882
Entertainment.....	1,203	1,401	1,370	1,311	1,449	1,418	1,516
All other expenses ³	4,497	4,770	5,014	5,591	5,532	5,582	5,613

See footnotes at end of tables.

Table 1. Quintiles of income before taxes: Average quarterly expenditures¹ of all consumer units, interview survey, second quarter, 1994

Item	All consumer units	Complete reporting of income						Incomplete reporting of income
		Total complete reporting	Lowest 20 percent	Second 20 percent	Third 20 percent	Fourth 20 percent	Highest 20 percent	
Number of consumer units (in thousands).....	101,805	88,131	17,132	17,306	17,193	17,217	17,284	15,474
Number of sample units.....	5,048	4,253	776	811	835	873	958	796
Consumer unit characteristics:								
Income before taxes ⁴	\$36,706	\$36,706	\$6,795	\$15,856	\$27,489	\$42,975	\$80,150	(4)
Average number of persons in consumer unit.....	2.6	2.6	1.9	2.3	2.5	3.0	3.1	2.5
Age of reference person.....	48.0	48.1	53.3	51.5	44.9	45.0	45.9	47.6
Number in consumer unit:								
Earners.....	1.3	1.3	0.6	0.9	1.3	1.8	2.0	1.3
Vehicles.....	2.0	2.0	0.9	1.5	2.0	2.5	2.8	1.8
Children under 18.....	0.7	0.7	0.5	0.6	0.7	0.9	0.9	0.7
Persons 65 and over.....	0.3	0.3	0.5	0.5	0.3	0.2	0.1	0.3
Total expenditures.....	\$30,357	\$31,097	\$13,829	\$20,749	\$27,341	\$37,089	\$56,284	\$26,234
Food.....	4,529	4,518	2,722	3,404	4,152	5,229	6,867	4,594
Housing.....	9,281	9,358	4,979	6,467	8,472	10,438	16,388	8,856
Shelter.....	5,585	5,624	3,019	3,730	5,103	6,285	9,983	5,388
Owned dwellings.....	3,441	3,428	1,107	1,493	2,514	4,299	7,707	3,512
Rented dwellings.....	1,785	1,828	1,755	2,381	2,302	1,883	1,318	1,548
Other lodging.....	359	389	157	157	267	304	938	308
Utilities, fuels, and public services.....	2,075	2,053	1,392	1,792	1,947	2,301	2,827	2,185
Household furnishings and operations.....	1,622	1,680	867	945	1,422	1,852	3,008	1,286
Apparel and services.....	1,200	1,209	838	747	1,031	1,404	2,323	1,152
Transportation.....	6,535	6,591	2,428	4,843	5,848	8,880	11,350	6,222
Gasoline and motor oil.....	983	991	508	701	1,011	1,248	1,489	808
Other transportation expenses.....	5,552	5,600	1,920	3,942	4,835	7,614	9,861	5,288
Health care.....	1,882	1,898	1,263	1,580	1,503	1,873	2,255	1,583
Entertainment.....	1,516	1,547	933	810	1,336	1,808	3,211	1,345
All other expenses ³	5,613	6,178	1,500	2,889	5,142	7,480	13,880	2,470

See footnotes at end of tables.

Table 2. Age of reference person: Average quarterly expenditures¹ of all consumer units, interview survey, second quarter, 1994

Item	All consumer units	Under 25	25-44	45-64	65 and over
Number of consumer units (in thousands)	101,805	8,402	43,718	29,707	21,778
Number of sample units	5,048	292	2,218	1,521	1,018
Consumer unit characteristics:					
Income before taxes ⁴		\$17,373	\$30,499	\$46,555	\$23,986
Average number of persons in consumer unit	2.6	2.3	3.0	2.5	1.7
Age of reference person	48.0	22.0	34.8	53.4	74.9
Number in consumer unit:					
Earners	1.3	1.3	1.8	1.8	0.4
Vehicles	2.0	1.3	2.0	2.4	1.4
Children under 18	0.7	0.7	1.2	0.4	0.1
Persons 65 and over	0.3	0.0	0.0	0.1	1.3
Total expenditures	\$30,357	\$18,282	\$32,746	\$38,141	\$21,227
Food	4,529	3,067	4,829	5,172	3,480
Housing	9,281	5,738	10,442	10,133	6,631
Shelter	5,585	3,583	6,542	5,983	3,708
Owned dwellings	3,441	485	3,885	4,273	2,279
Rented dwellings	1,785	2,912	2,416	1,184	1,006
Other lodging	359	187	241	525	420
Utilities, fuels, and public services	2,075	1,288	2,085	2,364	1,937
Household furnishings and operations	1,622	877	1,835	1,786	1,188
Apparel and services	1,200	820	1,346	1,374	753
Transportation	6,535	4,890	7,200	8,100	3,809
Gasoline and motor oil	983	729	1,085	1,148	627
Other transportation expenses	5,552	3,961	6,115	6,952	2,982
Health care	1,882	523	1,267	1,885	2,579
Entertainment	1,516	834	1,671	2,010	732
All other expenses ³	5,613	2,460	5,991	7,467	3,243

See footnotes at end of tables.

Table 3. Region of residence: Average quarterly expenditures¹ of all consumer units, interview survey, second quarter, 1994

Item	All consumer units	Northeast	Midwest	South	West
Number of consumer units (in thousands)	101,805	20,238	25,840	34,208	21,319
Number of sample units	5,048	1,050	1,339	1,537	1,122
Consumer unit characteristics:					
Income before taxes ⁴	\$36,763	\$39,144	\$33,471	\$33,390	\$42,891
Average number of persons in consumer unit	2.6	2.5	2.5	2.5	2.7
Age of reference person	48.0	49.8	48.1	47.8	46.7
Number in consumer unit:					
Earners	1.3	1.3	1.3	1.3	1.4
Vehicles	2.0	1.8	2.1	1.9	2.2
Children under 18	0.7	0.7	0.7	0.7	0.8
Persons 65 and over	0.3	0.4	0.3	0.3	0.3
Total expenditures	\$30,357	\$30,842	\$29,156	\$28,494	\$34,531
Food	4,529	4,873	4,159	4,293	5,033
Housing	9,281	10,550	8,400	8,185	10,937
Shelter	5,585	6,582	4,812	4,812	7,137
Owned dwellings	3,441	4,080	3,084	2,894	4,203
Rented dwellings	1,785	2,109	1,389	1,447	2,489
Other lodging	359	413	358	381	435
Utilities, fuels, and public services	2,075	2,250	1,955	2,167	1,905
Household furnishings and operations	1,622	1,719	1,633	1,398	1,894
Apparel and services	1,200	1,332	1,171	1,088	1,291
Transportation	6,535	5,071	6,946	6,888	7,182
Gasoline and motor oil	983	813	973	1,027	1,087
Other transportation expenses	5,552	4,258	5,973	5,862	6,095
Health care	1,882	1,517	1,833	1,804	1,702
Entertainment	1,516	1,479	1,479	1,275	1,882
All other expenses ³	5,613	5,630	5,389	5,182	4,385

¹ The expenditures are estimates for a particular quarter presented at annual rates (the values are multiplied by 4).² The item "expenses for other properties" is included in miscellaneous expenditures beginning in 1991. Prior to 1991 it was included in shelter and housing.³ Includes alcoholic beverages, reading, education, tobacco, miscellaneous

expenditures, personal care, cash contributions, personal insurance and pensions.

⁴ Income values are derived from "complete reporters" only; see technical note.⁵ Value less than 0.05

Technical Note

Data in this report are from the Interview portion of the Consumer Expenditure Survey, conducted by the Bureau of the Census for the Bureau of Labor Statistics. The survey consists of two components: (1) a Diary or recordkeeping survey completed by respondents for two consecutive 1-week periods, and (2) an Interview survey in which the expenditures of consumer units are obtained in five interviews conducted every 3 months. The data are collected in independent samples of consumer units that are representative of the U.S. population. The Interview sample, selected on a rotating panel basis, consists of approximately 5,000 consumer units each quarter.

The Interview survey data include large expenditures, such as property, automobiles, and major appliances, or expenditures that occur on a regular basis, such as rent, utility payments, or insurance premiums. The Interview survey covers approximately 95 percent of all expenditures.

There are limitations to these data which should be mentioned. First, for some analytical uses, the data should be seasonally adjusted. BLS is working on a seasonal adjustment method, which requires several years of data. In the absence of computed adjustment factors, one may make comparisons with the same quarter of the previous year or earlier years. Second, for infrequently purchased items there are fewer reports in a quarter than there are for a year. In order to obtain statistically reliable estimates, a sufficient level of reporting is required. Therefore, the tables based on quarterly data show less detail than those based on annual data. In addition, quarterly data tend to be more volatile than annual data.

This report uses a new format to allow more room for analysis of special topics. The "Income before taxes" table is no longer published in the quarterly report but can be obtained from the Division of Consumer Expenditure Surveys.

Brief definitions

Consumer unit. (1) All members of a particular household who are related by blood, marriage, adoption, or other legal arrangements; (2) a person living alone or sharing a household with others or living as a roomer in a private home or lodging house or in permanent living quarters in a hotel or motel, but who is financially independent; or (3) two or more persons living together who share responsibility for at least 2 out of 3 major types of expenses—food, housing, and other expenses. The terms household or consumer are used for convenience.

Complete income reporters. In general, a complete income reporter is a respondent who provided values for at least one of the major sources of its income, such as wages and salaries, self-employment income, and Social Security income. Even complete income reporters may not have provided a full accounting of all income from all sources.

Total expenditures. These are the transaction costs, including excise and sales taxes, of goods and services acquired during the interview period. The averages include expenditures for gifts and contributions and payments for pensions and personal insurance.

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